



## Council Committee Memorandum

**TO:** Joint Council Committee  
**THROUGH:** Brian J. Anderson, City Administrator  
**FROM:** Peter Waldock, Community Development Director  
**Andy Bohlen, Chief of Police**  
**MEETING DATE:** April 29, 2014  
**SUBJECT:** Rental Licensing Program / Vacant Building  
 Registration and Crime Free Housing Programs

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### **Background:**

At the Joint Council Committee meeting held March 18<sup>th</sup>, the City Council discussed 1) Rental Housing License Program Ordinance and 2) Crime Free Housing Program. City Council Members were supportive of these programs and asked staff to present further information regarding vacant building registration and make some clarifications to the Property Maintenance Code to clarify that it applies to all sites (residential, commercial and industrial) not just housing.

### Key Features of the Proposed Vacant Building Registration Ordinance:

- Buildings vacant for 60 days or more must register with the City on a form prepared by the City that requires ownership information, responsible party contact information, list of liens on the property, legal description, PID, date of the building became vacant, timetable for re-occupancy or demolition, status of utilities.
- Registration fee as determined by City Council with an annual registration fee required for long term vacant sites.
- Nuisance determination can be made after vacancy of 365 consecutive days (1 year). If the Council determines the property to be a nuisance legal action can be taken to require that the building be demolished and the site restored.
- Exemptions for snow birds of up to 180 days.
- Exemptions for fire or disaster damaged buildings of up to 90 after a fire or other disaster makes the building uninhabitable.
- Government owned buildings are exempt.
- Inspections by the City are required
- Buildings must be maintained and kept secure.
- Appeals to City Council can be requested.

**Key Features of the Proposed Property Maintenance Code Changes:**

- Renames Article IV of the City's building code from the "Faribault Uniform Housing Code" to "Faribault Property Maintenance Code"
- Adopts the 2006 Edition of the International Property Maintenance Code as both the Property Maintenance Code and Uniform Housing Code for the City
- Governs the conditions and maintenance of all properties (not just housing)
- Requires standards for facilities and conditions to ensure that structures are safe, sanitary and fit for occupation and use;
- Provides for condemnation of buildings and structures unfit for human occupancy
- Provides for demolition of existing structures that are not compliant with this code section
- Provides for the issuance of permits and collection of fees and penalties for non-compliance.

Attached for your reference is the Draft Rental Licensing Ordinance revised to reflect the Joint Council Committee Comments, and review by the City Attorney. Also attached are the proposed ordinances to clarify that the Property Maintenance Codes are applicable to non residential uses, and the proposed Vacant Property Registration Ordinance.

**CRIME FREE HOUSING PROGRAM DISCUSSION:**

The Crime Free Multi-Housing Program is a, state-of-the-art, crime prevention program designed to reduce crime, drugs, and gangs on apartment properties. This program was successfully developed at the Mesa Arizona Police Department in 1992. The International Crime Free Multi-Housing Program have spread to nearly 2,000 cities in 44 U.S. states, 5 Canadian Provinces, Mexico, England, Finland, Japan, Russia, Malaysia, Nigeria, Afghanistan, and Puerto Rico. Australia has expressed interest in adopting the program.

The program consists of three phases that must be completed under the supervision of the local police department. Property managers can become individually certified after completing training in each phase and the property becomes certified upon successful completion of all three phases. The anticipated benefits are reduced police calls for service, a more stable resident base, and reduced exposure to civil liability. The City of Faribault had previously discussed implementation of the CFMH program years ago but failed to pursue the program due to lack of funding, reduction of services and staff, and the general downturn in the economy. CFMH will help ensure safe, quality rental housing by developing partnerships with the police department and hold problematic landlords accountable.

By not addressing problematic tenants through a CFMH program, quality tenants will vacate problem properties, increasing calls for service to PD staff and ultimately change the landscape of tenants renting within Faribault. The city will continue to experience lower quality rental housing. The police department will not have a route to address problem tenants as calls-for-service and complaints increase, taxing existing staff.

At the encouragement of the City Council, the Police department worked with members of the Economic Development department and the city attorney to draft a comprehensive CFMH ordinance.

In order for the program to truly succeed it would require significant police staff time, which I recommend is shared between an existing sergeant and a supervisory level CSO. Costs would include printed materials and binders, postage, and meal costs for the all day training sessions to be hosted at Faribault PD. Additional single years costs would include a secure file cabinet, dedicated computer, and network software to track problem properties and create a network of property owners to keep them all informed of proactive changes and problem tenants trying to remain in Faribault. Other costs could include fees to provide a city attorney during the training sessions to answer property owner/manager legal questions and the cost for any administrative follow up with problem properties.

The major expense would be the increased police department staff time dedicated to the program. Most successful programs have a dedicated full-time sworn officer run the program. Faribault PD feels by utilizing an existing sergeant and increasing a trained CSO to full time, we could dedicate enough time to make the program successful while still remaining fiscally responsible. By increasing CSO Delesha to full-time, the Council could request an additional .5 CSO II in 2015 to offset the demands on Delesha. The additional PT CSO II would focus on ongoing nuisance complaints, parking complaints, and provide an extra visible presence in the downtown area.

The 2014 costs are calculated at \$39,165 for the implementation and start up of the program. This cost reflects equipment; materials, and increased staff time from the existing CSO cadre. However, the City could generate approximately \$11,000 in classroom training fees to help offset these costs and many of these costs are either one-time costs or could be scaled back depending on the demands from the training program. In 2015, City Council will have the option of hiring an additional part-time (.5) CSO II at the cost of \$16,702.40 to assist with the increased demand of patrolling the downtown. Therefore, the two costs are \$29,165 for the program and, as an option, \$16,702 for CSO patrolling in the downtown area.

**Recommendation:** Establish the CFMH program to work cooperatively with the city rental inspection program. Increase a part-time CSO to a full-time position with increased responsibilities to cover a portion of the CFMH program. Hire an additional .5 CSO II in 2015 to cover increased demand for nuisance calls, parking complaints, and provide additional uniformed presence downtown.

**Other Code Matters:**

Other code matters discussed at the Joint Council Committee meeting included the building permit sunset (expiration) provision. State Building Code currently has a six month timeline for permits. The City's local Code however, allows a one year time period before the permit expires. Based on the Joint Council Committee discussion, staff is proposing to amend the City Code to follow the State Building Code with a six month permit timeline.

**Requested Action:**

The City Council is asked to discuss the ordinance proposals and Crime Free Housing Program and provide feedback / direction to Staff.

**Attachments:**

- Rental License Ordinance Summary Sheet
- Draft Ordinances:
  - Rental Housing Ordinance
  - Vacant Building Ordinance
  - Property Maintenance Code
- Crime Free /Drug Free Housing Lease Addendum
- Crime Free Housing Benefits Summary Sheet
- CFMH estimated cost break downs

## 1) PROPOSED RENTAL LICENSING ORDINANCE

Key Features of the Proposed Ordinance:

- Homestead Exemption: Single Family Dwellings that are homesteaded by the owner's relatives and are the only rental property the owner has is exempt.
- Snowbird exemptions are provided for property rented less than 120 days per year and occupied by its owner the balance of each year.
- Tiered Licensing Categories: Three license types with increasing frequency of inspections based on compliance levels (number of crime free program violations or property violations).
- Local Agent Required: Absentee Owners from out of state or not located in designated counties nearby, must have a local agent or manager from a county designated in the ordinance.
- Occupancy Limits: The ordinance includes occupancy limits and standards based on the City's Unified Development Ordinance and a minimum floor space per person.
- Rental License Suspension or Revocation: Rental licenses can be revoked, suspended or non-renewed for crime free program violations, uncorrected or repeated nuisance violations, failure to correct property violations, and failure to evict problem tenants. Reinstatement fees and administrative fees can be applied as well as a waiting period for reinstatement. Revoked landlords are not eligible for new licenses for another dwelling for 1 year.
- Disorderly conduct prohibited: Disorderly conduct by tenants and their guests on licensed properties is prohibited and may be grounds for suspension, nonrenewal or revocation after repeated instances.
- Appeal Hearing: Rulings and findings by the compliance official can be appealed to the City Council. An appeal hearing would then be held by the City Council to make a final determination in the matter.
- Crime Free Housing Program Training: An 8-hour training course provided by police, fire and public housing officials and others is required. Crime Free Housing Program courses completed by owners or agents at approved courses in other Minnesota Cities may be accepted for compliance.
- Crime Free/Drug Free Housing Leas Addendum: Licensed properties must have written leases with the crime free/drug free housing addendum. Violation of this lease addendum by the tenant would be grounds for termination of tenancy.
- Criminal Background Checks are required for tenants of licensed properties.
- Regular inspections required to determine compliance with this ordinance, nuisance ordinances, property maintenance codes, and other city ordinances such as zoning codes.
- Effective Date January 1, 2015: We are just completing the second year of the current two year rental registration cycle, staff recommends that the new regulations start next year at the beginning of a new program cycle, rather

than changing the rules during the current cycle. This will allow time for training and preparations for program implementation.

Licensing and other program fees will be set by City Council Resolution. Reinspection fees and delinquent payment charges are proposed. The proposed fees will be similar to those charged by other Minnesota Cities with rental licensing programs.

**CITY OF FARIBAULT**  
**ORDINANCE 2014-\_\_**  
**AN ORDINANCE AMENDING CHAPTER 7, ARTICLE VI,**  
**OF THE CITY CODE RELATING TO RENTAL DWELLING LICENSES**  
**IN THE CITY OF FARIBAULT**

**WHEREAS**, the City Council of the City of Faribault desires to amend its code to regulate the issuance of rental licenses and the maintenance of rental properties to insure the safety, health, and welfare of all residents in the City of Faribault; and

**NOW, THEREFORE, THE CITY OF FARIBAULT ORDAINS:**

**Section 1.** Chapter 7, Article VI, Sections 7-80 through 7-89 are hereby deleted in their entirety.

**Section 2.** Chapter 7, Article VI, of the Faribault Code of Ordinances is amended by adding the following material:

**ARTICLE VI – RENTAL DWELLING LICENSES**

Sec. 7-80. – Purpose and Scope

Sec. 7-81. – Definitions

Sec. 7-82. – Licensing of Rental Units

Sec 7-83. – License Fees.

Sec 7-84. – License Application and Information.

Sec 7-85. – Occupancy Register Required.

Sec 7-86. – License Suspension, Revocation, Denial and Non-Renewal.

Sec 7-87. – Disorderly Conduct Prohibited.

Sec 7-88. – Crime Free Housing Program.

Sec 7-89. – Enforcement and Inspections

**Sec. 7-80. – Purpose and Scope**

1. **Purpose.** It is the purpose of this Article to assure that rental housing in the City of Faribault is decent, safe and sanitary and is so operated and maintained as not to become a nuisance to the neighborhood or to become an influence that fosters blight and deterioration or creates a disincentive to reinvestment in the community. The operation of residential rental properties is a business enterprise that entails certain responsibilities. Rental dwelling owners, agents, and property managers are responsible to take necessary reasonable actions to ensure that the citizens who occupy such rental units, as well as neighboring properties, may pursue the quiet enjoyment of the normal activities of life in surroundings that are safe, secure, and sanitary, free from noise,

nuisances and annoyances, free from unreasonable fears about safety of persons and property, and free of drugs and crime.

2. **Scope.** This Article applies to all rental dwelling units therein that are rented or leased in whole or in part, including apartment buildings, town houses, single family and multifamily housing, guest and caretaker houses, and condominiums. It also includes any accessory structures of the rental dwellings, such as garages and storage buildings, and appurtenances such as sidewalks, driveways, and retaining walls, which are on the property of the rental dwelling. This Article does not apply to facilities licensed by the Minnesota Department of Health.

**Sec. 7-81. – Definitions**

**City.** The City of Faribault, MN.

**City Council.** The City Council of the City of Faribault, MN.

**Compliance Official.** The City Administrator or the City Administrator's Designee.

**Dwelling Unit.** A single unit providing complete, independent living facilities for one or more persons including permanent provisions for living, sleeping, eating, cooking and sanitation.

**Inspector.** The person designated by the City Administrator to inspect rental dwellings in the City.

**Let.** To permit possession or occupancy of a rental dwelling by a person who is not the legal owner of record thereof, pursuant to a written or unwritten lease, or pursuant to a recorded or unrecorded agreement whether or not a fee is required by the agreement.

**License/Rental License.** The license required by and issued pursuant to this Article.

**Licensee/Owner.** Any person, agent, operator, firm or corporation having a legal or equitable interest in the property or rental dwelling; or recorded in the official records of the state, county or municipality as holding title to the property; or otherwise having control of the property or rental dwelling, including the guardian of the estate of any such person, and the executor or administrator of the estate of such person if ordered to take possession of real property by a court, or any person representing the actual owner, holding a rental dwelling holding a valid rental license from the City.

**Licensed Premises.** A licensed rental dwelling and all accessory structures of the rental dwellings, such as garages, storage buildings, and appurtenances such as sidewalks, driveways and retaining walls, which are on the property of the rental dwelling.

**Official Order.** A written notice stating violation(s) of City Code and corrective action to be taken.

**Operate.** To let for occupancy or to rent.

**Property Manager or Agent.** A person authorized by the owner to act on the owner's behalf as to the licensed premises.

**Rental Dwelling.** Any building containing one or more rental dwelling units.

**Rent.** To let for occupancy or to let.

**Tenant.** A person who is occupying a dwelling unit in a rental dwelling under a lease or contract, whether oral or written, that requires the payment of money or exchange of services.

**Uniform Housing Code.** International Property Maintenance Code adopted by City Ordinance Section 7-61.

**Sec. 7-82. – Licensing of Rental Units**

**1. License Required.**

- a. No person shall operate a rental dwelling without first having obtained a license to do so from the City of Faribault. A license will be granted as Type I, Type II, or Type III based on criteria approved by the City Council.

Exceptions:

- 1) An owner whose only rental dwelling is a single-family dwelling homesteaded by a relative is exempted. Compliance of this exemption may require written proof from the county.
- 2) A residential property owned by a “snowbird” where the property is rented to another person for a period of less than 120 consecutive days while the owner is residing out of the State of Minnesota. The owner must occupy the property during the remainder of the year.
- 3) Unoccupied dwelling units that have been issued a [Vacant Building Registration].
- b. When more than one building containing rental dwelling units exists on one property, a separate license shall be required for each building.
- c. Licenses shall be issued for a single rental dwelling unit in the case of a freestanding dwelling, a condominium, a townhouse, a dwelling in a cooperative, or a dwelling in a nonresidential structure; for a two-unit rental dwelling; or for an apartment building.
2. **License Term.** Licenses are issued for a time period according to the license type as indicated in Diagram I. All licenses may be reviewed at any time after the beginning of the license term to determine whether the rental dwelling continues to have the appropriate license Type.
3. **License Category Criteria.** The Compliance Official will make a License Type recommendation based on the quantity and types of violations, if any, as set forth in this paragraph and in the City’s Rental License Category Criteria Policy. The City Council will consider the Compliance Officer’s recommendation and determine the appropriate License Type.
  - a. **Police Incidents.** Frequency of police calls is based on the average number of valid police calls per unit. Police incidents for purposes of determining licensing categories shall include disorderly activities and nuisances as defined in Section 7-87 and events categorized as Part I crimes in the Uniform Crime Reporting System including homicide, rape, robbery, aggravated assault, burglary, theft, auto theft, and arson. Calls will not be counted for purposes of determining licensing categories where the victim and suspect are “Family or household members” as defined in the Domestic Abuse Act, Minnesota Statutes, Section 518B.01, Subd. 2 (b), and where there is a report of “Domestic Abuse” as defined in the Domestic Abuse Act, Minnesota Statutes, Section 518B.01, Subd. 2 (a).
  - b. **Property Code and Nuisance Violations.** Each rental dwelling must comply with all applicable federal, state, and City laws, rules, and regulations, including but not limited to the Uniform Housing Code and the City Code.

4. New Licenses. Properties legally registered with the City of Faribault at the time of adoption of the license provision and all new licensed rental dwellings will qualify for a Type II License. Properties found operating without a valid rental license from the City or failing to meet City Code requirements or that have been the subject of enforcement actions such as criminal prosecution or civil penalties for violation of this Article within the 2 years prior to the application date will only qualify for a Type I License.

Diagram I

| Licensing Category | Licensing Period | Minimum Inspection Frequency   | Crime Free Housing Program | Plans                            |
|--------------------|------------------|--|----------------------------|----------------------------------|
| Type I             | 1 year           | Minimum 1 time per year, upon request, or as needed as determined by City.   | Phase I and II Required.   | Action/Mitigation Plan Required. |
| Type II            | 2 years          | Minimum 1 time in 2 years, upon request, or as needed as determined by City. | Phase I-Required.          | None.                            |
| Type III           | 3 years          | Minimum 1 time in 3 years, upon request, or as needed as determined by City. | Phase I-Required.          | None.                            |

5. Failure to Meet License Category Requirements. At any time during a license period, if a rental dwelling does not meet the license requirements for the current license type as set forth in this Article, the license may be considered for suspension, revocation, nonrenewal and license Type review.

6. License Process and Renewal.

- c. License renewals shall be filed by the owner or its agent with the City at least 60 days prior to the license expiration. All licenses shall expire April 30<sup>th</sup> of the expiration year based on License Type. Within 30 days of receipt of a complete application and of the license fee required by Section 7-82 of this Article, the inspector shall schedule an inspection.
- d. No application for an initial license shall be granted until the inspector has determined that all life, health safety violations, or application inconsistencies have been corrected. In cases where a weather deferral for repairs has been granted by the inspector, the license may be granted on conditions of the repairs being completed before a specific date in the future.
- e. Incomplete Applications or Process. If the license application is incomplete, or the applicant does not meet the requirements of this Section within 120 days of the submittal date, the application is canceled.

7. Condition of License. Licensees with 3 or more units must be current on the payment of all utility fees, taxes, assessments, fines, penalties, or other financial claims due to the City on the licensed premises and any other rental dwelling in the City owned by the licensee at all times. Licensees with less than 3 units must be current on the payment of all utility fees, taxes, assessments, fines, penalties, or other financial claims due to the City on the licensed premises

and any other rental dwelling in the City owned by the licensee prior to issuance or renewal of a rental license. In the event a suit has been commenced under Minnesota Statutes, Section 278.01-278.03, questioning the amount or validity of taxes, the City may on application waive strict compliance with this provision; no waiver may be granted, however, for taxes or any portion thereof that remain unpaid for a period exceeding 1 year after becoming due.

**Sec 7-83. – License Fees.**

License fees, as set forth by City Council resolution, shall be due 60 days prior to the license expiration date; in the cases of new unlicensed units, license fees shall be due at time of application.

1. License Fees. Delinquent Payments. A delinquency penalty of 5% of the license fee for each day of operation without a valid license may be charged to the operators of the dwelling unit. Once issued, a license is nontransferable and the licensee shall not be entitled to a refund of any license fee. Upon revocation or suspension or if the applicant withdraws an application, or in the case of an incomplete application or process, or if an application is canceled, the fee is nonrefundable.
2. Inspection/Re-inspection Fees. Fees for inspections are part of paid license fees. Re-inspection fees will only be charged for subsequent inspections after failure to comply with official orders or when the owner or agent fails to keep a scheduled inspection without prior notice to the inspector. All re-inspection fees are set by City Council resolution. If the re-inspection is being performed as part of the licensing process, fees must be paid prior to the time of license issuance or renewal. If a re-inspection fee of any portion is not paid within 60 days after billing, or within 60 days after any appeal becomes final, the City Council may certify the unpaid cost against the rental dwelling.

**Sec 7-84. – License Application and Information.**

License application or renewal shall be made by the owner or agent. Application forms are available from the City and must be subsequently filed with the City. Applications must be completed in full. Every licensee shall give notice in writing to the City of Faribault within 10 business days after any change of information on the application or if licensed premises is sold or otherwise conveyed in any way. Depending on the nature of changes, the City may require a new inspection of the licensed premises.

1. Local Agent Required. If the owner does not reside in any of the following Minnesota counties: Blue Earth, Carver, Dakota, Dodge, Faribault, Freeborn, Goodhue, Hennepin, Le Sueur, Mower, Nicollet, Olmsted, Ramsey, Rice, Scott, Sibley, Steele, Wabasha, Waseca, Washington, then the owner must provide the City with a local agent that resides within one of the aforementioned counties and who is responsible for maintenance and operation of the rental dwelling and who is legally constituted and empowered to receive service and orders on behalf of the owner and to institute remedial action to effect such orders. The City of Faribault shall be notified in writing of any change of agent.

2. Responsibility for Acts of Manager, Operator, or Agent. Licensees are responsible for the acts or omissions of their managers, operators, agents, or other authorized representatives.
3. Conformance to Laws. No rental license shall be issued or renewed unless the rental dwelling conforms to all applicable federal, state, and local laws, rules, and regulations.
4. License Inspection Required. No rental license shall be issued or renewed unless the owner agrees in his application to permit inspections pursuant to Section 7-89 of this Article.
5. Posting of License. Every licensee of a rental dwelling with 4 or more units, shall conspicuously post the current license certificate in the main entryway or other conspicuous location.

**Sec 7-85. – Occupancy Register Required.**

1. Every licensee shall keep, or cause to be kept, a current register of occupancy for each dwelling unit that provides the following information:
  - a) Dwelling unit address.
  - b) Number of bedrooms in dwelling unit and the maximum number of occupants.
  - c) Legal names and date of birth of adult occupants and number of persons under 18 years of age currently occupying the dwelling units.
  - d) Dates renters occupied and vacated dwelling units.
  - e) A chronological list of complaints and requests for repair by dwelling unit occupants related to this Article, and all corrections made in response to such requests and complaints.

Such a Register shall be made available for viewing or copying by the City of Faribault at all reasonable times.

**2. Occupancy standards.**

- a. Each rental dwelling must comply with the requirements of the City of Faribault Unified Development Ordinance.
- b. The maximum permissible occupancy of a rental dwelling unit is determined as follows:
  - (1) Minimum space. For the first two occupants, 220 square feet of habitable room floor space and for every additional occupant thereof, at least 100 square feet of habitable room floor space.
  - (2) Maximum occupancy. The total number of occupants may not exceed two times the number of habitable rooms, less kitchen, in the dwelling unit.
  - (3) Occupancy of sleeping rooms. In every dwelling unit of two or more rooms, every room occupied for sleeping purposes shall have the following minimum habitable room floor space: 70 square feet for one person; 90 square feet for two persons; and the

required habitable room floor space is increased at the rate of 50 square feet for each occupant in excess of two. The maximum occupant load of a sleeping room may be increased by one person if all occupants are under the age of two years.

**Sec 7-86. – License Suspension, Revocation, Denial and Non-Renewal.**

1. Applicability. Every license issued under the provisions of this Article is subject to nonrenewal, suspension or revocation by the City.
2. Unoccupied or Vacated Rental Units. In the event that a license is suspended, revoked, or not renewed by the City, it shall be unlawful for the owner or agent to rent the rental dwelling.
3. Grounds for License Action. The City may revoke, suspend, or decline to renew any license issued under this Article upon any of the following grounds:
  - a. False statements, misrepresentations, or fraudulent statements on any application or other information or report required by this Article to be given by the applicant or licensee.
  - b. Failure to pay any fee, fine or penalty, special assessments, real estate taxes, or other financial claims due to the City as required by this Article and City Council resolution.
  - c. Failure to continuously comply with any property maintenance, zoning, health, building, nuisance, or other City Codes; or failure to correct deficiencies noted in an official order in the time specified in the order.
  - d. Failure to comply with the provisions of an approved mitigation plan or failure to submit a required action plan.
  - e. Failure to qualify for the type of license held or applied for.
  - f. Excessive police calls for service, based on the number and nature of the calls when, after owner notification, the owner fails to submit an appropriate written action plan to reduce the police calls for service.
  - g. Failure to actively pursue the eviction of a tenant or otherwise terminate the lease with a tenant who has violated the provisions of this Article or Crime Free/Drug Free Lease Addendum or has otherwise created a public nuisance in violation of City, State, or applicable laws.
  - h. The failure to eliminate imminent health and life safety hazards as determined by the City, or its authorized representatives after issuance of the Compliance Order.
  - i. The abandonment of the licensed premises by the owner as determined by the inability to make contact with the owner or his/her agent due to inaccurate contact information.
  - j. Failure to operate or maintain the licensed premises in conformity with all applicable federal, state and local laws, rules, regulations, and ordinances.
4. License Action Sections. Revocation, suspension, and non-renewal may be brought under either this Section or Section 7-87, or both.

**5. Notification, Hearing, and Decision Basis.**

- a. **Written Notice, Hearing.** A decision to revoke, suspend, deny, or not renew a license shall be preceded by written notice to the applicant or licensee of the grounds therefore and the applicant or licensee will be given an opportunity for a hearing before the City Council before final action to revoke, suspend, deny or not renew a license.
- b. **Decision Basis.** The City Council shall give due regard to the frequency and seriousness of violations, the ease with which such violations could have been cured or avoided and good faith efforts to comply. The City Council shall issue a decision to deny, not renew, suspend or revoke a license only upon written findings.

**6. Affected Rental Dwelling. The City may suspend or revoke a license or not renew a license for part or all of a rental dwelling.**

**7. License Actions, Reapplication.**

- a. **Suspension.** Licenses may be suspended for up to 90 days and may, after the period of suspension, be reinstated subject to compliance with this Article and any conditions imposed by the City at the time of suspension.
- b. **Revocation, Denial, Nonrenewal.** Licenses that are revoked will not be reinstated until the owner has applied for and secured a new license and complied with all conditions imposed at the time of revocation, denial, or nonrenewal. Upon a decision to revoke, deny or not renew a license, no approval of any application for a new license for the same rental dwelling is effective until after the period of time specified in the City Council's written decision, which shall not exceed one year. The City Council shall specify in its written decision the date when an application for a new license will be accepted. A decision not to renew a license may take the form of a suspension or revocation. A decision to deny an initial application shall state conditions of reapplication.
- c. **Reinstatement Fees.** All reapplications must be accompanied by a reinstatement fee, as specified by City Council resolution, in addition to all other fees required by this Article.
- d. **Administrative License Violation Fee.** An owner failing to proceed with an action to terminate tenancy after Police Department notification in accordance with a Crime Free Housing violation or other noncompliance with the provisions of the this Ordinance shall pay an administrative license violation fee adopted by City Council resolution for each calendar month that the owner fails to proceed. Any outstanding fees must be paid prior to the City renewing a rental license for the licensed premises.

**8. Written Decision, Compliance. Written decisions to revoke, suspend, deny, or not renew a license or application shall specify the part or parts of the rental dwelling to which it applies. Thereafter, and until a license is reissued or reinstated, no rental units becoming vacant in such part or parts of the rental dwelling may be re-let or occupied. Revocation, suspension or non-renewal of a license shall not excuse the owner from compliance with all terms of state laws and**

Codes and this Code of Ordinances for as long as any units in the rental dwelling are occupied. Failure to comply with all terms of this Section during the term of revocation, suspension, or nonrenewal is a misdemeanor and grounds for extension of the term of such revocation, suspension, or nonrenewal and as otherwise set forth in this Section.

9. **New Licenses Prohibited.** A person who has a rental license revoked may not receive a rental license for another rental dwelling within the City for a period of 1 year from the date of revocation. The person may continue to operate other currently licensed rental dwellings if maintained in compliance with City Codes and other applicable laws, rules, and regulations.

**Sec 7-87. – Disorderly Conduct Prohibited.**

1. **Disorderly Conduct Prohibited.** Disorderly conduct is prohibited on all licensed premises. It shall be the responsibility of the licensee to prevent disorderly conduct by tenants and their guests on the licensed premises. For the purposes of this Section, a violation of any of the following statutes or ordinances shall be deemed disorderly conduct:
  - a. Minn. Stat. § 609.75 through Minn. Stat. § 609.76, which prohibit gambling;
  - b. Minn. Stat. § 609.321 through Minn. Stat. § 609.324, which prohibit prostitution and acts relating thereto;
  - c. Minn. Stat. § 152.01 et seq., which prohibits the unlawful sale or possession of controlled substances;
  - d. Minn. Stat. § 340A.401, which prohibit the unlawful sale of alcoholic beverages;
  - e. Minn. Stat. § 340A.503, which prohibit the underage use of alcoholic beverages;
  - f. Faribault City Code of Ordinances, Chapter 17 Faribault which prohibit nuisances;
  - g. Minn. Stat. § 97B.021, Minn. Stat. § 97B.045, Minn. Stat. § 609.66 through Minn. Stat. § 609.67 and Minn. Stat. § 624.712 through Minn. Stat. § 624.716 prohibiting the unlawful possession, transportation, sale or use of a weapon;
  - h. Minn. Stat. § 609.72, which prohibit disorderly conduct, when the violation disturbs the peace and quiet of the occupants of at least one unit on the licensed premises or other premises, other than the unit occupied by the person(s) committing the violation;
  - i. Minn. Stat. § 609.185 through Minn. Stat. § 609.205, which prohibit murder and manslaughter;
  - j. Minn. Stat. § 609.221 through Minn. Stat. § 609.2231, which prohibit assault;
  - k. Minn. Stat. § 609.342 through Minn. Stat. § 609.3451, which prohibit criminal sexual conduct;
  - l. Minn. Stat. § 609.52, which prohibit theft;
  - m. Minn. Stat. § 609.561 through Minn. Stat. § 609.5632, which prohibit arson;
  - n. Minn. Stat. § 609.582, which prohibit burglary;
  - o. Minn. Stat. § 609.595, which prohibit damage to property;

- p. Faribault City Code of Ordinances, Chapter 17 against public disturbances;
- q. Laws relating to contributing to the need for protection or services or delinquency of a minor as defined in Minn. Stat. § 260C et seq.;
- r. Minn. Stat. § 609.33, relating to owning, leasing, operating, managing, maintaining or conducting a disorderly house or inviting or attempting to invite others to visit or remain in a disorderly house;
- s. Minn. Stat. § 609.50, which prohibits obstructing the legal process;
- t. Minn. Stat. § 609.713, which prohibits terroristic threats;
- u. Minn. Stat. § 609.715, which prohibits presence of unlawful assembly;
- v. Minn. Stat. § 609.71, which prohibits riot;
- w. Minn. Stat. §§ 609.226, 347.52, 347.542, relating to dangerous dogs;
- x. Minn. Stat. § 609.78, which prohibits interfering with "911" phone calls;
- y. Minn. Stat. § 243.166 (Predatory Offender Registration);
- z. Minn. Stat. § 609.229 (Crime committed for benefit of a gang);
- aa. Minn. Stat. § 609.26, subdivision 1(8) (causing or contributing to a child being a runaway); and
- bb. Minn. Stat. § 609.903 (Racketeering).

2. **Violations. Actions.** Upon determination by the compliance official that a licensed premises was used in a disorderly manner, as described in paragraph 1, the City shall take the following actions:

- a. For a first instance of disorderly use of licensed premise, notice shall be provided to the licensee of the violation directing the licensee to take steps to prevent further violations. The written notice shall specify all violations of this Article, and shall state that the licensee has the right to a hearing. The licensee shall request such a hearing within 10 calendar days of receipt of the notice. The licensee shall notify the tenant or tenants within 5 days of the notice of disorderly conduct violation.
- b. If a second instance of disorderly use of the licensed premises occurs in a 12 month time period for the same tenancy, the City shall notify the licensee of the violation and require the licensee to submit a written report of the actions taken, and proposed actions to be taken by the licensee to prevent further disorderly use of the licensed premises. The licensee shall submit a written report to the City within 10 calendar days of receipt of the notice of disorderly use of the licensed premises and shall detail all actions taken by the licensee in response to all notices of disorderly use of the licensed premises. The written notice shall specify all violations of this Article, and shall state that the licensee has the right to a hearing. The licensee shall request such a hearing within 10 calendar days of receipt of the notice. The licensee shall notify the tenant or tenants within 5 days of the notice of disorderly conduct violation.

- c. If a third instance of disorderly use of the licensed premises occurs within a 12 month time period from the first disorderly violation for the same tenancy, the rental dwelling license for the licensed premises may be denied, revoked, suspended, or not renewed. An action to deny, revoke, suspend, or not renew a license under this Article shall be initiated by the City who shall give the licensee written notice of a hearing before the City Council to consider such denial, revocation, suspension, or nonrenewal. The written notice shall specify all violations of this Article, and shall state the date, time, place, and purpose of the hearing. The licensee shall notify the tenant or tenants within 5 days of the notice of disorderly conduct violation, and proceed with termination of the tenancy of all tenants occupying the unit. The licensee shall not enter into a new lease with an evicted tenant, or a tenant whose tenancy was terminated pursuant to the requirements herein, for a period of one year after the eviction.
- d. If the City determines that the licensee has proceeded in good faith to secure termination of the tenancy in accordance with this subsection, but was unsuccessful for reasons beyond the licensee's reasonable control, then the licensee shall not be subject to the penalties.

3. Hearing. The hearing shall be held no less than 12 days and no more than 45 days after giving such notice. Following the hearing, the City may deny, revoke, suspend, or decline to renew the license for all or any part or parts of the licensed premises or may grant a license upon such terms and conditions as it deems necessary to accomplish the purposes of the Article.
4. Eviction Actions. No adverse license action shall be imposed where the instance of disorderly use of the licensed premises occurred during the pendency of eviction proceedings (unlawful detainer) or within 30 days of notice given by the licensee to a tenant to vacate the premises where the disorderly use was related to conduct by that tenant or by other occupants or guests of the tenant's unit. Eviction proceedings shall not be a bar to adverse license action, however, unless they are diligently pursued by the licensee. Further, an action to deny, revoke, suspend, or not renew a license based upon violations of this Article may be postponed or discontinued at any time if it appears that the licensee has taken appropriate measures which will prevent further instances of disorderly use.
5. Determining Disorderly Conduct. A determination that a licensed premises or any particular dwelling unit has been the location of a disorderly conduct violation shall be made upon a finding of fact by the City Council to support such a determination. It shall not be necessary that criminal charges be brought in order to support such finding, nor shall the dismissal or acquittal of such a criminal charge operate as a bar to any action under this Section.
6. Notices. All notices given by the City under this Article shall be personally served on the licensee or sent by First Class mail to the licensee's address as provided to the City. If neither method of service effects notice, the City may provide notice to the licensee by posting on a conspicuous place on the licensed premises.

7. Enforcement. Enforcement actions provided in this Article shall not be exclusive, and the City may take any action with respect to a licensee, a tenant, guests, or the licensed premises as is authorized by this Code or state law.
8. No Retaliation. No licensee shall evict, threaten to evict, or take any other punitive action against any tenant by reason of good faith calls made by such tenant to law enforcement agencies relating to criminal activity, suspected criminal activity, suspicious occurrences, or public safety concerns. A tenant may not waive and a license holder may not require the tenant to waive the tenant's right under law to call for police or emergency assistance. This Section shall not prohibit the eviction of tenants from a dwelling unit for unlawful conduct of a tenant or invitee or violation of any rules, regulations, or lease terms other than a prohibition against contacting law enforcement agencies.
9. Falsely Reporting Violations. No person shall report a violation of this Article or City Ordinance knowing or having reason to know that the report is false with the intent to affect the licensing status or inspection schedule of the licensed premises.
10. Tenant Responsibilities.
  - a. Access to Licensed Premises. When required by Minnesota Statutes, each tenant or occupant of a rental dwelling must give the owner, agent, or authorized City official access to any part of such rental dwelling unit at reasonable times for the purpose of inspection, maintenance, repairs, or alterations as are necessary to comply with the provision of this Article.
  - b. Compliance with Regulations. A tenant must comply with applicable City Codes and all applicable local, state, and federal regulations. A tenant is responsible for compliance with all applicable City Code, nuisance, and violations of disorderly conduct as specified in Section 7-87 that occur in the dwelling unit, including violations committed by household members or guests.

**Sec 7-88. – Crime Free Housing Program.**

For the purpose of this Article, the Crime Free Housing Program shall refer to the Minnesota Crime Prevention Association's Crime Free Multi Housing Program, unless otherwise indicated or amended by this Section. The phases of the program include, but are not limited to, the conditions set forth below.

- A. Phase I. For all license categories, an owner or agent must complete the Phase I training of the Crime Free Housing Program or a similar course approved by the City. Certification as a rental property manager may also satisfy this requirement. Phase I includes the following:
  - a. Attend a certified eight-hour crime-free housing course presented by police, fire, public housing and others.
  - b. Use a written lease including the Crime Free/Drug Free Housing Lease Addendum.

- c. Check the criminal background of all prospective tenants and, upon request, provide a copy of Third Party Background Check procedures for tenants.
- d. Actively pursue the eviction of the tenants or termination of the lease with the tenants who violate the terms of the lease and/or the Crime Free/Drug Free Housing Lease Addendum.

B. Phase II. Includes Phase I plus the following:

- a. Complete a Security Assessment and complete the security improvements recommended. This phase will certify that the rental dwelling has met the security requirements for tenant safety.

1. Crime Free/Drug Free Housing Lease Addendum Requirements. All tenant leases, except for state licensed residential facilities, shall contain the Crime Free/Drug Free Housing Lease Addendum. The Crime Free/Drug Free Housing Lease Addendum provisions are in addition to all other terms of the lease and do not limit or replace any other provisions. These lease provisions shall be incorporated into every new and renewed lease for a tenancy. The Lease Addendum shall contain the following "Crime Free/Drug Free" language or language that is contractual and legal equivalent as follows:

- a. Resident, any members of the resident's household or a guest or other person under the resident's control shall not engage in illegal activity, including drug-related illegal activity, on or near the said premises. "Drug-related illegal activity" means the illegal manufacture, sale, distribution, purchase, use or possession with intent to manufacture, sell, distribute, or use of a controlled substance (as defined in Section 102 of the Controlled Substance Act [21 U.S.C. 802]) or possession of drug paraphernalia.
- b. Resident, any member of the resident's household or a guest or other person under the resident's control shall not engage in any act intended to facilitate illegal activity, including drug-related illegal activity, on or near the said premises.
- c. Resident or members of the household will not permit the dwelling to be used for, or to facilitate illegal activity, including drug-related illegal activity, regardless of whether the individual engaging in such activity is a member of the household.
- d. Resident or members of the household will not engage in the manufacture, sale, or distribution of illegal drugs at any locations, whether on or near the dwelling unit premises or otherwise.
- e. VIOLATION OF THE ABOVE PROVISIONS SHALL BE A MATERIAL VIOLATION OF THE LEASE AND GOOD CAUSE FOR TERMINATION OF TENANCY. *A single violation of any of the provisions of this agreement shall be deemed a serious violation and material non-compliance with the lease.*

f. Non-exclusive Remedies. The Crime Free/Drug Free provisions are in addition to all other terms of the lease and do not limit or replace any other provisions.

2. Tenant Background Checks.

A. All licensees will conduct criminal background checks on all prospective tenants 18 years and older. The criminal background check must include the following:

- a. A statewide (Minnesota) criminal history check of all tenants who are 18 years of age or older and persons subsequently residing in the dwelling unit who are 18 years of age or older (collectively referred to in this Section as "tenants") covering at least the last 3 years; the check must be done "in person" or by utilizing the most recent update of the state criminal history files;
- b. A statewide criminal history check from the tenants' previous state of residence if the tenant is moving directly from the previous state;
- c. A criminal history check of any tenant in his or her previous states of residence covering the last 3 years if they have not resided in Minnesota for 3 years or longer.
- d. Licensees will retain criminal history check information for at least 1 year after the date of the check or, if the subject of the check becomes a tenant of the licensed premises, 1 year after the subject of the check has ceased to be a tenant. Such information shall be available for inspection upon request by the City; and
- e. Licensees must have written screening criteria that is provided to the applicant prior to accepting the application or application fee.

3. Crime Free Housing Violations.

- a. Upon determination by the Police Department that a licensed premises or dwelling unit within a licensed premises was used in violation of the Crime Free Housing provisions of this subchapter, the Police Department shall cause notice to be made to the owner, agent, and property manager of the violation. The owner, agent, or property manager shall notify the tenant or tenants within 10 days of the notice of violation of the Crime Free Housing Program and proceed with termination of the tenancy of all tenants occupying the unit. The owner shall not enter into a new lease for a unit located in the licensed premises with an evicted tenant (or with a tenant whose tenancy was otherwise terminated for violating the Crime Free Housing Program) for a period of 1 year after the eviction (or termination).
- b. The provisions of Subsections 4(a) herein do not apply if the determination that the licensed premises have been used in violation of the Crime Free Housing provisions of Subsections 2(a) and 2(b) herein originates from a call from or at the request of one or more of the tenants occupying the licensed premises for police or emergency assistance, or in the case of domestic abuse, from a call for assistance

from any source. The term "domestic abuse" has the meaning given in Minn. Stat. § 518B.01, subd. 2.

- c. If the City Administrator determines that the owner or agent has proceeded in good faith to secure termination of the tenancy in accordance with this subsection, but was unsuccessful for reasons beyond the owner or agent's reasonable control, than the owner shall not be subject to the penalties.

**4. Crime Free Housing Program Training.**

- a. Every owner, agent, or property manager of a rental dwelling must attend the Phase I Crime Free Housing Training program. The City of Faribault will offer information on Phase I Crime Free Housing training locations throughout the state. Each owner, agent, or property manager will be charged a fee to attend the Phase I Crime Free Housing training if attended in the City of Faribault. The owner, agent, or property manager will provide the City with proof of having received such training.
- b. All existing registered rental dwellings at the time of the adoption of this Ordinance have 4 years from the adoption date to attend and provide proof of Crime Free Housing training. All new rental licenses applied for and issued after the adoption of this Ordinance have 2 years from the day of license issuance to attend and provide proof of Crime Free Housing training. Any licensees moved to Type I License status that has not completed Crime Free Housing training has a year to provide proof of such training from the day the license was transferred to Type I status.
- c. Licenses may be considered for suspension, revocation, nonrenewal or license type review for failure to attend a Phase I Crime Free Housing training and provide proof to the City.

**Sec 7-89. – Enforcement and Inspections**

The compliance official administers and enforces the provisions of this Article and is hereby authorized to cause inspections on a scheduled basis for rental dwellings and when reason exists to believe that a violation of this Article has been or is being committed. Inspections shall be conducted during reasonable times, and the compliance official shall present evidence of official capacity to the tenant, owner, or agent at the time of inspection of the rental dwelling. Inspections shall include all common areas, utility and mechanical rooms, accessory structures, interiors of each dwelling units, exteriors of all structures and exterior property areas.

1. **Inspection Access.** Pursuant to Minnesota Statutes, Section 504B.211, the owner or agent shall notify the tenants of an inspection. Each tenant of a dwelling unit shall give the owner or agent access to any part of such dwelling unit at reasonable times for the purpose of effecting inspection, maintenance, repairs or alterations as are necessary to comply with the provisions of this subchapter. If any owner, agent or tenant of a dwelling unit fails or refuses to permit entry to the dwelling unit under its control for an inspection pursuant to this subchapter, the compliance official may seek a court order authorizing such inspection. An owner or agent's

failure to notify the tenant of a scheduled inspection by the City does not invalidate the scheduled inspection.

2. Unfit for Human Habitation.

- a. Any rental dwelling or portion thereof that is damaged, decayed, dilapidated, insanitary, unsafe, vermin or rodent infested, or that lacks provision for basic illumination, ventilation or sanitary facilities to the extent that the defects create a hazard to the health, safety or welfare of the tenants or of the public may be declared unfit for human habitation. Whenever any rental dwelling or licensed premises has been declared unfit for human habitation, the compliance official shall order same vacated within a reasonable time and shall post a placard on same indicating that it is unfit for human habitation, and any license previously issued for such rental dwelling units shall be revoked or suspended.
- b. It shall be unlawful for such rental dwelling or portion thereof to be used for human habitation until the defective conditions have been corrected and written approval has been issued by the City. It shall be unlawful for any person to deface or remove the declaration placard from any such rental dwelling.

3. Hazardous Building Declaration. In the event that a rental dwelling has been declared unfit for human habitation and the owner or agent has not remedied the defects within a prescribed reasonable time, the rental dwelling may be declared a hazardous building and treated consistent with the provisions of Minnesota Statutes.

4. Official Order. Whenever the City determines that any rental dwelling or portion thereof, or the premises surrounding any of these, fails to meet the provisions of this Article, an official order setting forth the violations of the Article and ordering the owner or agent to correct such violations shall be issued. This official order shall:

- a. Be in writing.
- b. Describe the location and nature of the violations of this Article.
- c. Establish a reasonable time for the correction of such violation and right to appeal.
- d. Be served upon the owner or agent as the case may require. Such notice shall be deemed to be properly served upon such owner or agent if a copy thereof is:
  - i. Served upon owner or agent personally; or
  - ii. Sent by 1<sup>st</sup> class mail to his/her last known address on file with the City; or
  - iii. Upon failure to effect notice through (i) and (ii) as set out in this section, posted at a conspicuous place in or about the rental dwelling, or portion thereof, that is affected by the notice.

Communications with the owner or agent may also be by electronic mail.

Violations may be cited by the City and prosecuted, and license suspension, revocation or non-renewal may be undertaken by the City whether or not a official order has been issued.

5. **Action Plan.** The City may require an action plan to be completed by the licensee or agent in a designated time frame that indicates the steps taken to correct identified violations and the measures to be taken to ensure ongoing compliance with City Ordinances and all Applicable Codes.
6. **Right of Appeal.** When it is alleged by any person to whom an official order is directed that such compliance order is based upon erroneous interpretation of this Article, such person may appeal the compliance order to the City Council sitting as a board of appeals. Such appeals must be in writing, must specify the ground for the appeal, must be accompanied by a filing fee as set forth per City Council resolution, in cash or cashier's check, and must be filed with the City within 5 business days after service of the compliance order. The filing of an appeal shall stay all proceedings in furtherance of the action appealed from, unless such a stay would cause imminent peril to life, health, or property.
7. **Board of Appeals Decision.** Upon at least 5 business days' notice to the appellant of the time and place for hearing the appeal, and within 30 calendar days after said appeal is filed, the board of appeals shall hold a hearing thereon, receive evidence, and consider any advice and recommendation from the Compliance Officer. The board of appeals may reverse, modify, or affirm, in whole or in part, the compliance order and may order return of all or part of the filing fee if the appeal is upheld.
8. **Restrictions on Transfer of Ownership.** It shall be unlawful for the owner of any rental dwelling, or portion thereof, upon whom a pending compliance order has been served to sell, transfer, mortgage, lease, or otherwise dispose thereof to another person until the provisions of the compliance order have been complied with, unless such owner shall furnish to the grantee, lessee, or mortgagee a true copy of any notice of violation or compliance order and shall obtain and possess a receipt of acknowledging and file a copy of the same with the City within 10 days of receipt. Anyone securing an interest in the rental dwelling, or portion thereof, who has received notice of the existence of a violation tag or compliance order shall be bound by same without further service of notice and shall be liable to all penalties and procedures provided by this Article.
9. **Failure to Correct Official Orders.** Any person who fails to comply with an official order and any person who fails to comply with a modified compliance order within the time set therein, upon conviction thereof shall be guilty of a misdemeanor, punishable in accordance with state law. Nothing in this Article however is deemed to limit other remedies or civil penalties available to the City under this Code or state law. Each day of such failure to comply may constitute a separate punishable offense.
10. **Execution of Compliance Orders.** Upon failure to comply with an official order within the time set therein and no appeal having been taken, or upon failure to comply with a modified

compliance order within the time set therein, the criminal penalty established hereunder notwithstanding, the City Council may, by resolution, following a hearing upon not less than 10 days' notice to the owner and agent cause the cited deficiency to be remedied as set forth in the compliance order. The cost of such remedy shall be a lien against the subject real estate and may be levied and collected as a special assessment in the manner provided by Minnesota Statutes, Chapter 429, but the assessment shall be payable in a single installment.

11. Alternative Sanctions. Notwithstanding the availability of the foregoing compliance procedures and the penalties, whenever the City determines that any rental dwelling, or portion thereof, or the premises surrounding any of these fails to meet the requirements set forth in this Article, the City may request the issuance of a criminal complaint and arrest warrant.
12. Penalties. Any person who violates any part of this Article is subject to the penalty provided under Section 7-89(9) of this Code. Nothing in this Article however is deemed to limit other remedies or civil penalties available to the City under this Code or state law. Each day that a violation continues is deemed a separate punishable offense.
13. Severability. Every Section, provision, or part of this Ordinance is declared severable from every other Section, provision, or part to the extent that if any Section, provision or part of the Article shall be held invalid, it shall not invalidate any other Section, provision or part thereof.
14. No Warranty by City. By enacting and undertaking to enforce this Article, the City, City Council, its agents, and employees do not warrant or guaranty the safety, fitness or suitability of any rental dwelling in the City. Owners, agents, and tenants of rental dwellings should take whatever steps they deem appropriate to protect their interests, health, safety and welfare.
15. Applicable Laws. Licenses are subject to all of the ordinances of the City and the laws, rules, and regulations of the State of Minnesota and the United States relating to rental dwellings; this Article shall not be construed or interpreted to supersede or limit any other such applicable law.

**Section 3.** This Ordinance shall take effect and be in force January 1<sup>st</sup>, 2015 in accordance with Section 3.05 of the City Charter.

**First Reading:** Read by the City Council of the City of Faribault on \_\_\_\_\_, \_\_, 2014.

**Second Reading:** Read and passed by the City Council of the City of Faribault on \_\_\_\_\_, \_\_, 2014.

**Publication Date:**

Faribault City Council

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John R. Jasinski, Mayor

**Exhibit P 89**

Attest:

Brian J. Anderson, City Administrator

**CITY OF FARIBAULT**

**ORDINANCE 2014-\_\_**

**AN ORDINANCE AMENDING CHAPTER 7, ADOPTING A NEW ARTICLE IX IN THE CITY  
CODE RELATING TO VACANT BUILDING REGISTRATION IN THE CITY OF  
FARIBAULT**

**WHEREAS**, the City Council of the City of Faribault desires to amend its code to create a vacant building registration program to identify vacant properties, who is in charge of the property, and to ensure the maintenance and security of the vacant properties to protect the safety, health, and welfare of all residents in the City of Faribault; and

**NOW, THEREFORE, THE CITY OF FARIBAULT ORDAINS:**

**Section 1.** Chapter 7, Article IX VACANT BUILDING REGISTRATION is hereby created with Sections 7-115 through 7-120.

**Section 2.** Chapter 7, Article IX, Sections 7-115 through 7-120 of the Faribault Code of Ordinances shall read as follows:

**Sec.7-115—Purpose and Findings**

The City of Faribault is enacting this section to protect the public health, safety and welfare by establishing a program for the identification and regulation of vacant buildings. The City finds that vacant buildings are a major cause and source of blight in residential and nonresidential neighborhoods. Neglect of vacant buildings, as well as use of vacant buildings by transients and criminals, creates a risk of fire, explosion or flooding for the vacant building and adjacent properties. There is a substantial cost to the City for monitoring vacant buildings. This cost should not be borne by the general taxpayers of the community; but, rather, these costs should be borne by owners of those buildings.

**Sec.7-116—Definitions**

For the purposes of this Article, the terms defined in this subsection have the meanings given them and shall apply in the interpretation and enforcement of this Article.

**Compliance Official.** The City Administrator and the City Administrator's designated agents authorized to administer and enforce this section.

**Building.** Any roofed structure used or intended for supporting or sheltering any use or occupancy. "Building," for purposes of this Code, shall include a portion of a building that is a separately titled, or capable of being separately titled, such as a condominium or townhouse unit, that is part of a larger building structure.

**Owner.** Those shown to be the owner or owners on the records of the Rice County Department of Property Taxation; those identified as the owner or owners on a vacant building registration

form, a holder of an unrecorded contract for deed, a mortgagee or vendee in possession, a mortgagor or vendor in possession, an assignee of rents, a receiver, an executor, a trustee, a lessee, other person, firm or corporation in control of the freehold of the premises or lesser estate therein. An owner also means any person, partnership, association, corporation, or fiduciary having a legal or equitable title or any interest in the property or building. This includes any partner, officer, or director of any partnership, corporation, association or other legally-constituted business entity. All owners shall have joint and several obligations for compliance with the provisions of this Code.

**Responsible party.** An owner, occupant, entity or person acting as an agent for the owner who has direct or indirect control or authority over the building or real property upon which the building is located. Any party having a legal or equitable interest in the property. Responsible party may include, but is not limited to, a realtor, service provider, mortgagor, leasing agent, management company, or similar person or entity.

**Vacant building.** A building or structure is vacant if no person or persons actually and currently conducts a lawful business or lawfully resides or lives in any part of the building on a permanent, nontransient basis in accordance with the City's zoning regulations. Except those buildings under construction or extensive remodeling pursuant to a valid building permit issued by the City of Faribault.

#### **Sec.7-117—Vacant Building Registration**

1. **Application.** The owner or responsible party must register a vacant building with the City no later than sixty (60) days after the building becomes vacant. The registration must be submitted on a form provided by the City and shall include the following information supplied by the owner:
  - a. The name, address, telephone number, and email address, if applicable, of each owner or the owner's representative;
  - b. The names, addresses, telephone numbers, and email addresses, if applicable, of all known lien holders and all other parties with any legal interest in the building;
  - c. The name, address, telephone number, and email address, if applicable, of a local agent or person responsible for managing or maintaining the property;
  - d. The legal description, tax parcel identification number, and street address of the premises on which the building is situated;
  - e. A description of the premises, including the common address of the property;
  - f. The date the building became vacant, the period of time the building is expected to remain vacant, and a property plan and timetable for returning the building to appropriate occupancy or use and for correcting Code violations and nuisances, or for demolition of the building;
  - g. The status of water, sewer, natural gas and electric utilities.

- h. The owner must notify the Compliance Official of any changes in information supplied as part of the vacant building registration within thirty (30) days of the change.
2. Administrative Registration. If the compliance official determines that a building has been vacant for at least sixty (60) days and has not been registered by its owner or responsible parties, the compliance official may administratively register the building and attempt to notify the owner of that registration based on such information as is reasonably available to the compliance official. Properties registered administratively will be charged a fee established by the City Council.
3. Demolition Required. If a building has remained vacant for a period of three hundred and sixty-five (365) consecutive days, and the compliance official has not approved an alternative schedule in the property plan, the City may declare the building to be a nuisance and direct the owner to demolish the building and restore the grounds. If the owner does not demolish the building and thereby eliminate the nuisance conditions, the City may commence abatement and cost recovery proceedings for the abatement of the nuisance in accordance with Chapter 7 Article 4 of this code and Minnesota Statutes, section 429.101.
4. Fees. The owner must pay an annual registration fee. The registration fee will be in an amount adopted by resolution by the City Council. The amount of the registration fee shall be reasonably related to the administrative costs for registering and processing the registration form and for the costs of the City in monitoring the vacant building site. If the fee or any portion is not paid within 60 days after billing, or any appeal becomes final, the City may certify the unpaid cost against the property in accordance with the process set forth in City Code.
5. Waiver of Fee. The registration fee may be waived if the owner or responsible party has paid all past due registration fees and all other financial obligations and debts owed to the City that are associated with the vacant property and demonstrates, to the satisfaction of the Compliance Official:
  - a. that the property is re-occupied, with the exception of demolition, within a period of time deemed reasonable to the Compliance Official; or
  - b. that he or she is in the process of demolition, rehabilitation, or other substantial repair of the vacant building; or
  - c. that he or she has a plan for the demolition, rehabilitation, or other substantial repair of the vacant building in a period of time that is deemed reasonable to the Compliance Official.

6. Exemptions.

- a. Snow Birds. Those persons who leave their residential buildings on a temporary basis (up to 180 days) for vacation purposes, or to reside elsewhere, and have the intent to return, may voluntarily register but are exempt from fees.
- b. Fire or Severe Weather Event Damage. A building that has suffered fire or severe weather event damage is exempt from registration for a period of ninety (90) days after the date of the fire or weather event if the owner submits a written request for exemption in writing to the compliance official. An exemption request shall include the following information supplied by the owner:

- i. The address and description of the premises;
- ii. The name and address of owner or owners and responsible parties;
- iii. A statement of intent to repair and reoccupy, or reuse the building in an expeditious manner and a statement of the time frame for completion of repairs and re-occupancy or use;
- iv. Actions the owner or responsible party will take to ensure that the property will be secure and not a nuisance.

c. Government Owned. Buildings that are owned by government agencies including the City of Faribault, State of Minnesota, or federal government.

**Sec.7-118—INSPECTIONS.**

The Compliance Official may inspect any vacant building in the City for the purpose of enforcing and assuring compliance with this code and other applicable regulations. Upon the request of the Compliance Official, an owner or responsible party must provide access to all interior portions of the building and the exterior of the property in order to complete an inspection. If the owner or responsible party is not available to provide access to the interior of the building, the City may use any legal means to gain entrance to the building for inspection purposes. Prior to any re-occupancy, a vacant building must be inspected by the City and found to be in compliance with Chapter 7, Article IV of the City Code and all other applicable regulations. All application and reinspection fees must also be paid prior to any re-occupancy of the building. All such fees are set by Resolution of the City Council.

**Sec.7-119—MAINTENANCE OF VACANT BUILDINGS**

1. Appearance. All vacant buildings shall be so maintained as required by Chapter 7, Article IV of the City Code.
2. Security. All vacant buildings shall be secured from unauthorized entry. Security shall be ensured by normal building amenities such as windows and doors having adequate strength to resist intrusion. All doors and windows shall remain locked. There shall be at least one operable door into every building and into each room within the building. Exterior walls and roofs shall be without holes.
  - a. Architectural (Cosmetic) Structural Panels. Architectural structural panels may be used to secure windows, doors and other openings provided they are cut to fit the opening and match the characteristics of the building. Architectural panels may be of exterior grade-finished plywood or Medium Density Overlaid plywood (MDO) that is painted to match the building exterior or covered with a reflective material such as plexi-glass to simulate windows.
  - b. Temporary Securing. Untreated plywood or similar structural panels or temporary construction fencing may be used to secure windows, doors and other openings for a maximum period of 14 days.
  - c. Emergency securing. The Compliance Official may take steps to immediately secure a vacant building at his or her discretion in emergency circumstances and assess the fees associated to the property.

**Sec.7-120—APPEAL**

Any person or responsible party aggrieved by a decision under Sections 12-1501 through 12-1509 may appeal to the City Council. The appeal must be in writing, must specify the grounds for the appeal, and must be submitted to the City Manager within ten business days of the decision that is basis of the appeal.

**Section 3.** This Ordinance shall take effect and be in force immediately after publication, in accordance with Section 3.05 of the City Charter.

**First Reading:** Read by the City Council of the City of Faribault on March \_\_, 2014.

**Second Reading:** Read and passed by the City Council of the City of Faribault on March \_\_, 2014.

**Publication Date:**

Faribault City Council

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John R. Jasinski, Mayor

Attest:

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Brian J. Anderson, City Administrator

**CITY OF FARIBAULT**

**ORDINANCE 2014-**

**AN ORDINANCE AMENDING CHAPTER 7, ARTICLE IV,  
OF THE CITY CODE RELATING TO THE ADOPTION OF THE INTERNATIONAL  
PROPERTY MAINTENANCE CODE IN THE CITY OF FARIBAULT**

**WHEREAS**, the City Council of the City of Faribault desires to amend its code to regulate the conditions of all properties and structures to ensure public health, safety, and welfare in so far as they are affected by the continued occupancy and maintenance of structures and premises in the City of Faribault; and

**NOW, THEREFORE, THE CITY OF FARIBAULT ORDAINS:**

**Section 1.** Chapter 7, Article IV is renamed to “FARIBAULT PROPERTY MAINTENANCE CODE.”

**Section 2.** Chapter 7, Article IV, Section 7-61 of the Faribault Code of Ordinances is amended as follows:

Sec. 7-61. International Property Maintenance Code adopted.

The 2006 Edition of the International Property Maintenance Code, as published by the International Code Council, ~~is hereby adopted as the Faribault Uniform Housing Code of the City of Faribault, Minnesota, a copy of which is on file in the office of the city administrator of the city. Such code is hereby incorporated into this article as if fully set out herein. be and is hereby adopted as the Property Maintenance Code and Uniform Housing Code of the City of Faribault, for regulating and governing the conditions and maintenance of all property, buildings and structures; by providing the standards for supplied utilities and facilities and other physical things and conditions essential to ensure that structures are safe, sanitary and fit for occupation and use; and the condemnation of buildings and structures unfit for human occupancy and use, and the demolition of such existing structures as herein provided; providing for the issuance of permits and collection of fees therefor; and each and all of the regulations, provisions, penalties, conditions and terms of said Property Maintenance Code on file in the office of the City of Faribault are hereby referred to, adopted, and made a part hereof, as if fully set out in this ordinance, with the additions, insertions, deletions and changes, if any, prescribed in Section 7-62 of this ordinance.~~

**Section 3.** This Ordinance shall take effect and be in force immediately after publication, in accordance with Section 3.05 of the City Charter.

**First Reading:** Read by the City Council of the City of Faribault on \_\_\_\_\_, \_\_, 2014.

**Second Reading:** Read and passed by the City Council of the City of Faribault on \_\_\_\_\_, \_\_, 2014.

**Publication Date:**

Faribault City Council

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John R. Jasinski, Mayor

Attest:

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Brian J. Anderson, City Administrator

## LEASE ADDENDUM FOR CRIME-FREE/DRUG-FREE HOUSING

In consideration of the execution or renewal of a lease of the dwelling unit identified in the lease, Owner and Resident agree as follows:

1. Resident, any members of the resident's household or a guest or other person under the resident's control shall not engage in illegal activity, including drug-related illegal activity, on or near the said premises. "Drug-related illegal activity" means the illegal manufacture, sale, distribution, purchase, use or possession with intent to manufacture, sell, distribute, or use of a controlled substance (as defined in Section 102 or the Controlled Substance Act [21 U.S.C. 802]) or possession of drug paraphernalia.
2. Resident, any member of the resident's household or a guest or other person under the resident's control shall not engage in any act intended to facilitate illegal activity, including drug-related illegal activity, on or near the said premises.
3. Resident or members of the household will not permit the dwelling to be used for, or to facilitate illegal activity, including drug-related illegal activity, regardless or whether the individual engaging in such activity is a member of the household.
4. Resident or members of the household will not engage in the manufacture, sale, or distribution of illegal drugs at any locations, whether on or near the dwelling unit premises or otherwise.
5. Resident, any member of the resident's household, or a guest or other person under the resident's control shall not engage in acts of violence or threats of violence, including but not limited to the unlawful discharge of firearms, prostitution, criminal street gang activity, intimidation, or any other breach of the rental agreement that otherwise jeopardizes the health, safety or welfare of the landlord, his agents or tenants.
6. **VIOLATION OF THE ABOVE PROVISIONS SHALL BE A MATERIAL VIOLATION OF THE LEASE AND GOOD CAUSE FOR TERMINATION OF TENANCY.** *A single violation of any of the provisions of this added addendum shall be deemed a serious violation and material non-compliance with the lease.*

It is understood and agreed that a single violation shall be good cause for termination of the lease. Unless otherwise provided by law, proof of violation shall not require criminal conviction, but shall be by the preponderance of the evidence.

7. In case of conflict between the provisions of this addendum and any other provisions of the lease, the provisions of the addendum shall govern.
8. This LEASE ADDENDUM is incorporated into the lease executed or renewed this day between Owner and Resident.

\_\_\_\_\_  
(Resident)

MANAGEMENT

\_\_\_\_\_  
(Resident)

by: \_\_\_\_\_

\_\_\_\_\_  
(Resident)

Date signed: \_\_\_\_\_

\_\_\_\_\_  
(Resident)

Resident(s) acknowledge receipt of this addendum by signature of this document.

## **2) CRIME FREE HOUSING PROGRAM**

### Crime Free Housing Program Benefits:

A number of Minnesota Cities are participating in crime free housing programs throughout the state. A Crime Free Housing Program (CFH) works to keep criminal activity out of rental property. The program was designed to make multi-family dwellings safe and desirable places to live. CFH is pro-property manager, pro-resident, and anti-crime.

The program uses a three-phase approach that ensures resident friendly techniques will be applied to maintain crime prevention goals. The three components that make up the program consist of property management training, security assessments, and resident training on watching for criminal activity.

### **Management Benefits:**

- A stable, more satisfied resident base
- Increased demand for rental units with a reputation for active management
- Lower maintenance and repair costs
- Increased property values
- Improved personal safety for tenants, managers, and owners
- More time for routine management and less time on crisis control
- More appreciative neighbors

### **Law Enforcement Benefits:**

- Tried and true crime prevention methods
- Proven drop in calls for service by up to 67%
- Improved quality of life for the community at large
- Teaches property managers and residents how to work with police and neighbors to keep drugs and other illegal activity out of rental property
- A community oriented policing approach to crime prevention.

Revised Crime Free Multi Housing Cost Breakdown 4/25/14

1. \$15 / person – Binders containing the future CFMH manual
2. \$10 / person – Breakfast & Lunch items
3. \$5 / person – Printing, advertising, mailing supplies including postage
4. \$1600 for computer software for record keeping (**every 2 years if web based**)
5. \$300 for a filing cabinet (**first year only**)
6. \$400 approximate cost for an attorney's presentation during a one day training session. Other related speakers will not charge and are optional.
7. \$185 letters/notices to 370 landlords @ .50c per letter about training dates.
8. FPD wage increase
  - a. Part-time CSO Doug Delesha increased to full-time CSO @ 20 hrs per week dedicated to CFMH program (soft expense will also involve patrol sergeant dedicated time of 12 hours per week)
  - b. Approximate additional costs to bring Doug to full-time status - \$25,580 CSO pay is 85% of total – starting at \$22.00 per hour and \$4,500 health/med benefits. Salary increase of \$21,080 plus \$4,500 = \$25,580 Existing \$24,679 (no benefits) to proposed \$50,260 (w/ benefits)

There are approximately 370 landlords in Faribault who would all be required to attend and complete a one day CFMH training session for certification.

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|--|---|---|
| Items 1 through 3 total \$30 x 370 landlords                                     | = | \$11,100 (one time purchase)                      |
| Items 4 & 5  | = | \$ 1,900 (one time purchase)                      |
| Item 7   | = | \$ 185 (ongoing expense)                          |
| Item 6   | = | \$ 400 (each time)                                |
| Item 8 (Cost to increase CSO to CSO1   | = | \$25,580.00 (annually)                            |
|  | = | \$39,165.00                                       |
| Approximately 370 property owners/managers charged \$30 fee for course materials |   | (\$11,100.00) (offset costs)                      |
|  |   | <b>2014 = \$28,065.00 (appox first year cost)</b> |

Additional soft costs would include sergeant time from the schedule, contractual salary increases, and additional part time CSO2 for increased presence downtown at \$16.06 per hour for 1040 hours for \$16,702.40 needed for future coverage in 2015.

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|--|---|---|
| 2015 CFMH CSO cost                               | = | \$25,580.00                                 |
| 2015 CFMH CSO contractual pay increase           | = | \$1,213.00 (7 months)                       |
| 2015 additional CSO 2 (part-time .5/no benefits) | = | \$16,702.40                                 |
|  |   | <b>2015 = \$43,495.40 (estimated costs)</b> |